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In addition, your mover must participate in an arbitration program. As described earlier in this pamphlet, an arbitration program gives you the opportunity to settle certain types of unresolved loss or damage claims through a neutral arbitrator. You may find submitting your claim to arbitration under such a program to be a less expensive and more convenient way to seek recovery of your claim. Your mover is required to provide you with information about its arbitration program before you move. If your mover fails to do so, ask the mover for details of its program.

Subpart I—Resolving Disputes With My Mover

What May I Do To Resolve Disputes With My Mover?

The Federal Motor Carrier Safety Administration does not help you settle your dispute with your mover.

Generally, you must resolve your own loss and damage disputes with your mover. You enter a contractual arrangement with your mover. You are bound by each of the following three things:

- (1) The terms and conditions you negotiated before your move.
- (2) The terms and conditions you accepted when you signed the bill of lading.
- (3) The terms and conditions you accepted when you signed for delivery of your goods.

You have the right to take your mover to court. We require your mover to offer you arbitration to settle your disputes with it.

If your mover holds your goods "hostage" - refuses delivery unless you pay an amount you believe the mover is not entitled to charge - the Federal Motor Carrier Safety Administration does not have the resources to seek a court injunction on your behalf.

Summary of Bekins Customer Complaint and Inquiry Handling

Procedures:

A Summary of Bekins Arbitration Program;

Notice of Tariff

Availability

BEKINS
VAN LINES, LLC

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I. Responding to Complaints

Bekins adheres to all Federal Regulations. Bekins has established a procedure for responding to complaints and inquiries from individual shippers. The procedure is as follows:

(1) We have established a communications system allowing individual shippers to communicate with our office by telephone, fax, mail or through our website at www.bekins.com;

(2) We have provided a toll free telephone number 1-800-7-BEKINS (1-800-723-5467) so that the call is free to the caller. Our fax number is (708) 547-2274;

(3) We strive to resolve complaints and answer all inquiries in a prompt and efficient manner;

(4) We retain a written or electronic record system for recording all inquiries and complaints received from an individual shipper by any means of communication.

II. Dispute Settlement and Arbitration Program

In the event that a customer has a dispute over loss and damage claims on his household goods shipment, the American Moving & Storage Association (AMSA) sponsors a "Dispute Settlement and Arbitration Program" to which Bekins belongs. This program offers you a fair and effective way to resolve this dispute.

The arbitration procedures provided under this program have been developed by AMSA as a less costly alternative to the court system in settling disputes involving loss and damage claims that may occur during your move. As of 1996, The Federal Government, under the Department of Transportation, has made it mandatory that all household goods movers and their agents to participate in this program.

Under this program, Bekins agrees, under the circumstances described in this brochure, to offer neutral arbitration as a means of settling loss or damage disputes that may arise on household goods shipments. To maintain a fair and neutral position, this program is administered by the National Arbitration Forum, an independent, non-governmental organization not affiliated with the American Moving & Storage Association or with any household goods moving company. The Forum is one of the world's largest neutral administrators of arbitration and mediation services, with a select panel of former judges, law professors and experienced senior attorneys providing dispute resolution worldwide.

Before you move, it is important for you to be aware of this arbitration program and how the AMSA program works. You need to understand your rights when using the arbitration program in the unlikely event that the need arises.

III. Requesting Arbitration

You may request arbitration by writing to the American Moving & Storage Association, Attention: Dispute Settlement Program, 1611 Duke Street, Alexandria, VA 22314. You may also send your letter of request via fax to (703) 683-7524. Your letter requesting arbitration must be sent to the AMSA within 60 days after Bekins has made you its final written settlement offer or denial of your claim.

The following information needs to be included in your request for arbitration:

Name
Address
Phone Number

The name of your mover and the identification number of the shipment

Any assigned loss and damage claim number

The name of your shipment moved under (if other than your own) and the dates and locations where the shipment was pick-up and delivered

The dollar (\$) amount of your loss or damage claim.

Settlements are often achieved before the arbitration process begins. Therefore, you do not need to include the administrative fee or detailed documents supporting your position with your initial request. Instead, they will be due later if your case cannot be settled and proceeds to arbitration with the Forum.

After the AMSA receives your information, it will promptly notify Bekins of your request for arbitration and, if your dispute falls within the program guidelines, it will forward the required forms and program rules to you. You will then have 20 business days to complete the forms with your portion of the administrative fee and return them to the Forum. Bekins will submit its documentation and its portion of the administrative fee and the arbitration process will begin. The arbitrator makes most decisions within 30 days of receipt of all the necessary forms and documents.

For further information on the Dispute Settlement Program, please write to the AMSA at the address shown above, and request a copy of the program rules and sample forms. You may also log on to the AMSA website at www.moving.org for more information.

Here are some frequently asked questions about the arbitration program:

"When is arbitration appropriate?" Disputes eligible for arbitration are unresolved claims that may occur as a result of loss or damage to an interstate shipment of household goods for an individual shipper (also referred to as private relocation or C.O.D. shipper).

If you (the shipper) and your mover (Bekins) cannot resolve a dispute with your claim, typically involving the amount of the settlement offer, you may request that arbitration procedures be used to resolve the claim. Before arbitration can begin, however, you must be sure that you have exhausted your remedies through Bekins' regular claim process and that Bekins has made its final offer. In accordance with Federal law and the terms of your Bill of Lading contract, a claim for loss or damage must be filed with Bekins within nine months of delivery. Bekins must acknowledge your claim within 30 days of receipt, and within 120 days, must pay, deny, make a settlement offer or advise you of the status of your claim and the reason for any delay in disposition. Claim disputes involving other types of interstate claims may be arbitrated under the program if both parties agree to do so.

What are the legal effects of the program? Congress provides guidelines for dispute settlement programs in Section 14708 of Title 49, United States Code, under the authority of the U.S. Department of Transportation.

These guidelines are reflected in the program rules. You should carefully consider the legal effects of the following provisions before you decide to use the program:

First, arbitration under this program is optional and voluntary for you, but not always for Bekins. Bekins must agree to your request for arbitration of disputed claims of \$5,000 or less, if no settlement can be reached. However, if you request arbitration of a disputed loss or damage claim over \$5,000, your claim will be submitted to arbitration only if both you and Bekins agree to arbitration. Once both the customer and Bekins have signed the official forms and submitted the dispute to the Forum for resolution, a neutral Forum arbitrator will render a final decision.

Second, you may be entitled to reasonable attorney's fees if you prevail in a court of action that is instituted after the arbitration process has begun, if:

- Your original loss and damage claim was submitted to Bekins within 120 days after the date this shipment was delivered, or the date delivery was scheduled, whichever is later, and

b. A decision resolving the dispute was not tendered through arbitration within the time period established by the arbitrator for resolution of the dispute; or the court proceeding is to enforce a decision already rendered through arbitration that is instituted after the period for the performance of such decision has elapsed.

in an attempt to discourage shippers from filing non-meritorious claims in court, the schedule provides that the mover maybe awarded reasonable attorney's fees if the shipper brings such court action in "bad faith" either:

- a. After the resolution of a dispute through the arbitration program;

- b. After the shipper has instituted an arbitration proceeding, but before the period for the resolution of the dispute as established by the arbitrator has ended or before a decision resolving the dispute is rendered.

What can an arbitrator award and what is the legal status of that decision? The arbitrator may grant any remedy or relief the arbitrator feels is just and appropriate within the scope of the agreement between you and your mover and within the rules of the program. In general, the amount of any award may not exceed your mover's liability under the bill of lading. In reaching a decision, the arbitrator will consider the applicable laws and the provisions of the tariff, as well as applicable practices of the moving industry. Under the rules of the program, the arbitrator only has jurisdiction to consider claims for loss or damage to the household goods transported, or such other disputes arising out of the transportation of your household goods that are mutually agreed upon, in writing, by both you and your mover. The arbitrator has no jurisdiction to consider any other claim including, but not limited to: consequential or incidental damages, anguish, loss of wages, punitive damages, alleged fraud, violations of the law, such as allegation of criminal activity.

The arbitrator's decision is legally binding on both parties and can be enforced in any court having jurisdiction over the dispute. Under the rules of the program, there is a limited right to appeal the arbitrator's decision; however, courts will not usually revise findings of fact or law in a binding arbitration award.

How much does it cost? The Forum's administrative fee that you will be asked to share with your mover is based on the amount of the claim at issue.

When the amount of the claim is:	The administrative fee is:
\$10,000 or less	\$450.00
Over \$10,000 up to \$20,000	\$550.00
Over \$20,000 up to \$30,000	\$600.00
Over \$30,000 up to \$40,000	\$650.00
Over \$40,000 up to \$50,000	\$700.00
Over \$50,000	\$700 plus one (1%) percent of the amount over \$50,000

For example: If the amount of the disputed claim is \$7,500, the applicable administrative fee would be \$450. This fee would be shared equally between parties with the carrier and the claimant each paying \$225. If the claim dispute was higher, \$75,000 for example, a \$700 fee would apply plus 1% of the amount over \$50,000. In this example, the fee to be shared by the parties would be \$950 (\$700 + 1% of \$25,000); the fee for each party would be \$475.00. Unless otherwise agreed to by both parties, you and Bekins pay equal shares of the fee.

The arbitrator may apportion the fee as part of the final award by determining which party shall pay the cost or the portion of the cost of the arbitration proceeding, including the cost of initiating the arbitration process. In other words, the arbitrator may decide to refund all, a portion or none of your initial fee, depending on the circumstances of your dispute.

IV. Notice of Tariff Availability

NOTICE: Bekins' tariffs contain terms that are made a part of the bill of lading. Bekins' tariffs may be inspected at Bekins' facility, or, upon request, Bekins will furnish you with a free copy of any tariff provision containing Bekins' rates, rules or charges governing the shipment. Bekins' tariff provisions include but are not limited to:

- (1) a provision establishing the limitation of Bekins' liability;
- (2) a provision setting the time period for filing claims;
- (3) a provision reserving Bekins' right to assess additional charges for additional services performed and,
- (4) on non-binding estimates, a provision allowing Bekins to base charges upon the exact weight of the goods transported.